

**TAXATION OF LESSEES OR USERS OF TAX-EXEMPT PROPERTY (EXCERPT)**  
**Act 189 of 1953**

**211.181 Taxation of lessees or users of tax-exempt real property; business conducted for profit; exceptions.**

Sec. 1. (1) Except as provided in this section, if real property exempt for any reason from ad valorem property taxation is leased, loaned, or otherwise made available to and used by a private individual, association, or corporation in connection with a business conducted for profit, the lessee or user of the real property is subject to taxation in the same amount and to the same extent as though the lessee or user owned the real property.

(2) Subsection (1) does not apply to all of the following:

(a) Federal property for which payments are made instead of ad valorem property taxes in amounts equivalent to taxes that might otherwise be lawfully assessed or property of a state-supported educational institution, enumerated in section 4 of article VIII of the state constitution of 1963.

(b) Property that is used as a concession at a public airport, park, market, or similar property and that is available for use by the general public.

(c) Property that is used by the lessee or user only in conjunction with a county fair, community fair, 4-H fair, or state fair of this state, or in conjunction with a special event for which the lessee or user pays a fee to the county fair, community fair, 4-H fair, or state fair. As used in this subdivision, "special event" means an event during which property is occupied by the lessee or user for not more than 14 consecutive days.

(d) For tax days before December 31, 1985, property that is used by the lessee or user in such a manner that the city or township in which the property is located receives revenue under section 17 of the horse racing law of 1995, 1995 PA 279, MCL 431.317.

(e) Real property located in a renaissance zone, except a casino, to the extent and for the duration provided in the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, except a special assessment or a tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff. As used in this subdivision, "casino" means a casino or a parking lot, hotel, motel, or retail store owned or operated by a casino, an affiliate, or an affiliated company, regulated by this state pursuant to the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.216.

**History:** 1953, Act 189, Imd. Eff. June 10, 1953;—Am. 1962, Act 226, Eff. Mar. 28, 1963;—Am. 1970, Act 174, Imd. Eff. Aug. 3, 1970;—Am. 1976, Act 430, Imd. Eff. Jan. 11, 1977;—Am. 1982, Act 241, Imd. Eff. Sept. 23, 1982;—Am. 1984, Act 63, Imd. Eff. Apr. 12, 1984;—Am. 1984, Act 305, Imd. Eff. Dec. 21, 1984;—Am. 1996, Act 447, Imd. Eff. Dec. 19, 1996;—Am. 1998, Act 244, Imd. Eff. July 3, 1998.